KS Electric Transmission Authority

KETA

November 14, 2007

Representative Carl Holmes, Chair

Earnie Lehman, Vice-Chair

Interested Persons:

Tim McKee, Secretary

Senator Jay Emler

Les Evans

Representative Annie Kuether

Senator Janis Lee

As you know, the Kansas Electric Transmission Authority's (KETA) mission is to ensure reliable operation of the electrical transmission system, diversify and expand the Kansas economy and facilitate consumption of Kansas energy through improvements in the state's electric transmission infrastructure. Thus, KETA is very interested in how recent action regarding construction of the proposed new Holcomb electric generation units will impact the State's transmission infrastructure. In order to explore this issue, KETA invites you to attend its next Board meeting on **December 3** and provide any information that you think is relevant to KETA's consideration of the electric transmission needs of Kansas. The meeting will begin at 9:00 AM in Room 519-S at the Statehouse in Topeka. Please contact Mary Galligan (contact information below) if you would like to provide testimony at that meeting. The Board asks that you submit your formal statement in writing at the meeting. Please bring to the meeting at least 30 copies of your written testimony or outline of your remarks.

KETA understands from its prior needs assessment effort that significant new transmission investments will be required to enable delivery of energy from the proposed Holcomb generation units and from existing and planned renewable sources. KETA's recent examination of the status of Kansas' transmission capacity also indicates that the decision of the Kansas Department of Health and Environment (KDHE) to deny an air emissions construction permit for the proposed new Holcomb units may slow development of the State's transmission capacity in the short term. The changed situation created by that decision leads to renewed exploration by the Board.

You may not be able to respond to all of the Board's questions, depending on your role in the energy system in Kansas, but the Board is interested in hearing anything you wish to contribute to KETA's ongoing effort to serve Kansans. All information you provide will be gratefully accepted and considered.

Board members have expressed specific interest in hearing responses from a wide variety of energy system participants to questions such as the following:

- o From your perspective, what information should KETA consider to determine the impact of a denial of the Holcomb permit on the electric system capacity to develop new renewable energy resources in Kansas? Please provide any pertinent information that you can.
- What will be the interconnection cost to your customers for each proposed renewable energy project built in your territories for export to other utilities and how will you spread that cost to your customers?
- What transmission service requests have been withdrawn as a result of the KDHE decision?
- What pending transmission service requests will be withdrawn should the KDHE decision become final, and what is the magnitude of those requests?
- What transmission lines (115 kV or higher) were planned in connection with deliveries of Holcomb energy? Where will those lines be located?
- What new renewable energy facilities have pending requests to interconnect with existing transmission lines? Include the size of each facility, if known.
- What pending transmission service requests by new renewable energy facilities or their customers will use existing transmission facilities?
 - How will those pending interconnection and transmission requests related to renewable energy facilities be treated differently if the proposed new Holcomb units are not constructed?
- What new transmission facilities will be constructed regardless of expansion at Holcomb? Please provide an approximate time frame for completion of those facilities, if you can.
 - Will those new transmission facilities be able to accommodate the output of additional renewable energy facilities?
- What alternative needs for transmission service or plans to construct new transmission lines may be triggered by a denial of the Holcomb air emission construction permit?

With respect to your answer to the previous question, identify the effect of such a denial on the ability to accommodate new renewable energy resources?

Thank you very much for assisting KETA in this important work.

Sincerely,

KETA Board of Directors